

# CITY OF NEWPORT VACATION RENTAL CODE UPDATE

Options for Amending  
Allowed Locations, Density Limitations  
& Development Standards

March 14, 2018

Vacation Rental Ad-Hoc Committee Meeting

# MEETING OBJECTIVES

- Obtain Committee input on changes it would like to see made to safety and development standards for vacation rentals
- Topics to be covered include:
  - Rationale for Regulating
  - Definitions
  - Safety Requirements
  - Parking Standards
  - Landscaping
  - Waste Management
  - Residency Requirement
  - Occupancy Limits
  - Noise
  - Signage
- Staff will take feedback from this meeting to develop draft code amendments for review by the Committee at future meetings
- These same requirements apply to Bed & Breakfast (B&B) establishments, so if you see a reason to treat them differently relative to these topic areas, now is the time to point it out

# FORMAT

- The following slides frame as “issues” areas where the City may want to revise its vacation rental rules as a result of public feedback, code implementation, or the review of best management practices
- Issues are organized by topic area and are not intended to be exhaustive
- Committee members are encouraged to identify additional issues they believe should be addressed
- When identifying potential problems with the rules, Committee members should consider the following question:

*“What it is about VRDs, as opposed to other like type uses, that justifies the change you would like to see implemented”*

# RATIONALE FOR REGULATING

## Issue

- Should City's rationale for regulating extend beyond safety, protecting neighborhood character, and addressing negative effects of vacation rentals?
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## Observations

- ▣ A number of jurisdictions explicitly state that their regulations are intended to protect long term housing supply by limiting conversion of residential land to transient uses (Hood River, Seattle, Sonoma)
- ▣ Others acknowledge the need to weigh VRD limitations against the economic benefits of short-term rentals (Hood River)
- ▣ Such stated objectives, along with the existing goal of protecting neighborhood character, would support regulations that limit the number of permissible VRD units in some manner

*There was general consensus at the February 28<sup>th</sup> meeting that the purpose section of the City's VRD code should include these concepts*

# DEFINITIONS

## Issues

- Relevant terms should be adequately defined in the Municipal Code
  - Development standards should not be incorporated into definitions
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## Observations

- ▣ Relevant terms include “vacation rental”, “bed and breakfast establishments”, “hotels” and “motels”
- ▣ These definitions are similar to what other Oregon jurisdictions use, and have not been a point of confusion for the public
- ▣ It may be prudent to include the five (5) guest room limit contained in the VRD definition as a development standard
- ▣ If the Committee wants to distinguish between “home shares” and other vacation rental uses then the term needs to be defined

*There was general consensus that a “home share” definition is needed and that the five (5) guest room limit be a development standard. May need to define “owner”*

# SAFETY

## Issues

- Provisions may need to be clarified and/or expanded to adequately ensure guest safety
- Scope of Fire Dept inspections is not defined

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## Observations

- ▣ VRD safety requirements could be clarified and expanded, as outlined in the Building Official memo. Such changes are within the scope of what is required for other like type transient uses (e.g. motels)
- ▣ Responsibilities for common areas that do not meet safety requirements could be more clearly identified
- ▣ It may be appropriate to list items the Fire Department is to inspect since the Uniform Fire Code does not directly address VRD safety requirements



*There was general consensus that safety standards should be updated*

# PARKING REQUIREMENTS

## Issues

- Should the one off-street stall per bedroom requirement be revisited?
  - Is there a need to clarify off-street requirements and/or extended parking requirements to on-street spaces?
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## Observations

- ▣ There may be value in specifying required parking stall dimensions and what we mean by “off-street” (see following slides)
- ▣ Restricting the maximum number of vehicles that can be parked on the property (Lincoln City) would be a method of addressing concerns that have been raised about large gatherings
- ▣ Limiting guest use of what would otherwise be a publicly available resource (Lincoln City, Yachats) would require legal research and an assessment of steps needed to enforce such a restriction

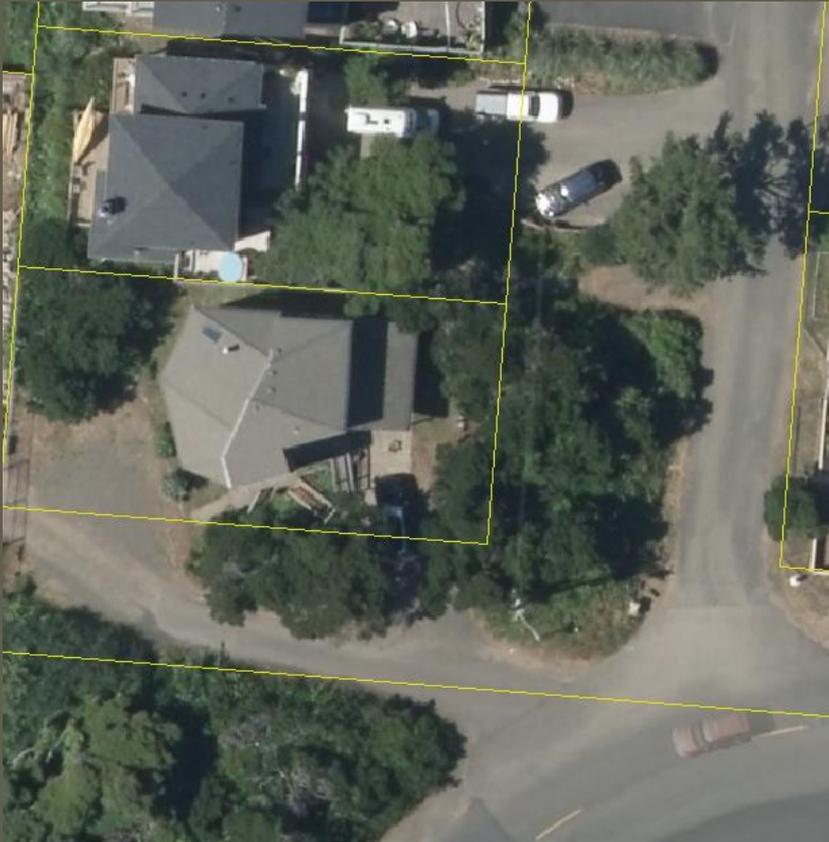
# WHAT DOES IT MEAN TO BE OFF-STREET?

Fully Developed Road Rights-of-Way (less common)



# WHAT DOES IT MEAN TO BE OFF-STREET?

Under Developed Road Rights-of-Way (common)



# WHAT DOES IT MEAN TO BE OFF-STREET?

Rights-of-Way not used for public road purposes (common)



- Should “off-street” be entirely out of the public right-of-way or is it enough to prohibit parking from obstructing the travelled roadway or sidewalks?
- What about rights-of-way that do not contain public roads?

# LANDSCAPING

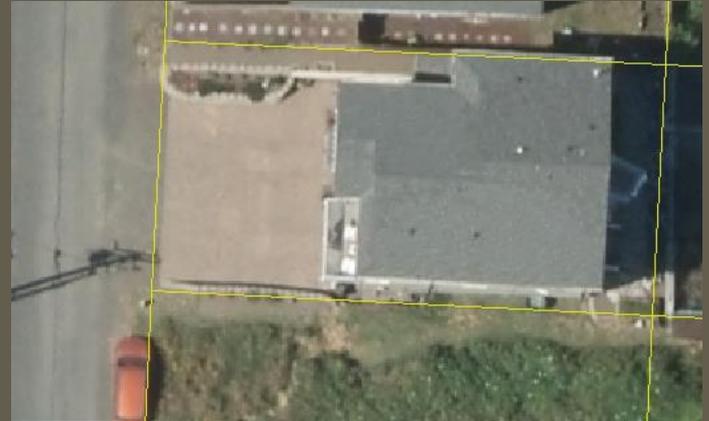
## Issues

- Is there a need to make changes to the existing standards that require 50% of the front yard and 40% of the total area on a residential lot to be landscaped?
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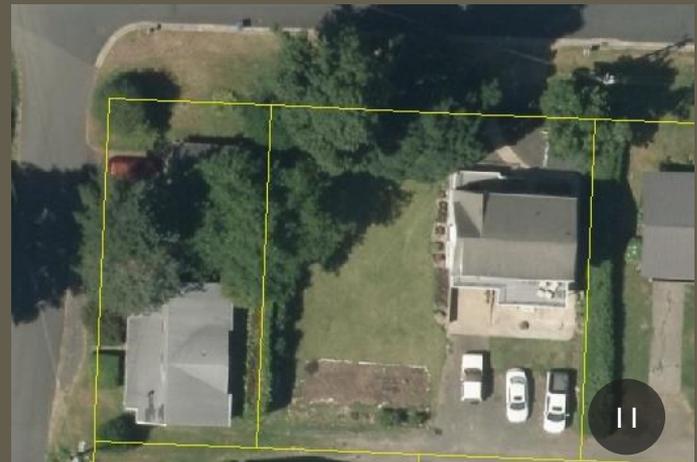
## Observations

- ▣ These requirements are intended to prevent yards in residential areas from being cleared for parking
- ▣ Compliance (or lack thereof) with landscaping standards has not been a significant enforcement issue

Commercial Area  
(not subject to standard)



Residential Area  
(subject to standard)



# WASTE MANAGEMENT

## Issues

- Is there a need to adjust the existing requirement that waste disposal service be provided while the dwelling is occupied?
  - Trash receptacles must be stored or screened out of plain view of the street. Is that adequate?
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## Observations

- ▣ Concerns raised regarding trash management have largely been about enforcement, not the standard
- ▣ Thompson Sanitary offers assisted “valet” service, and required use of such a service might ensure consistent waste management
- ▣ If there is interest in valet service, consideration should be given as to whether or not it should be an outright requirement (Hood River) or an option that is mandated as an enforcement tool

# MAXIMUM OVERNIGHT OCCUPANCY

## Issues

- Is the current 2 persons per room, plus two limitation adequate?
  - Are standards needed for surplus bedrooms (i.e. those that are unavailable because of a lack of parking)?
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## Observations

- ▣ When considered in conjunction with a 5-bedroom limitation, the standard establishes a maximum overnight occupancy of 12 persons
- ▣ This is a common top end limit that jurisdictions impose.
- ▣ Small children are not excluded from the limit. Some jurisdictions offer this option (Cannon Beach and Sonoma). It tends to come up with units that have tight occupancy limits (e.g. 4 or 6 max guests)
- ▣ Many homes have more bedrooms than can be used for vacation rental purposes because of parking limitations. In those cases it might be beneficial to address whether or not the surplus rooms may be used by guests

# MAXIMUM BUILDING OCCUPANCY

## Issue

- Is the City's existing standard limiting maximum building occupancy to that which is specified within the Uniform Fire Code inadequate?
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## Observations

- ▣ Maximum occupancy limits contained in the Uniform Fire Code are established to ensure that the occupants of the building can safely exit in the event of an emergency
- ▣ It is common to rely upon fire codes for this purpose
- ▣ Concerns about nuisance impacts attributed to large gatherings can be addressed by other means (e.g. parking, noise limitations, etc.)

# RESIDENCY REQUIREMENT

## Issues

- Is there a desire to distinguish between owner-occupied units that are used as short term rentals (i.e. homeshares) and those that are dedicated to transient rental use?
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## Observations

- ▣ Testimony has been provided that B&Bs do not create the same enforcement issues because an owner resides on the premises
- ▣ The same concept can be extended to “homeshares”
- ▣ If there is interest in seeing separate rules developed for homeshares, should the number of available rooms be capped (Astoria) or is there a need to require that it is a primary residence (Hood River)?
- ▣ For those interested in caps, should homeshare situations be treated differently?

# NOISE

## Issues

- Is there a need to set noise restrictions for VRDs that are different than the decibel limits for residential areas listed in the City's noise ordinance?
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## Observations

- ▣ Many municipalities, like Newport, set noise limits that apply generally in residential and commercial areas
- ▣ They are correlated to “decibel levels” that can be measured
- ▣ The existing noise limit for residential areas in Newport is 55 dBA (day-time) and 50 dBA (night-time) at the property boundary
- ▣ Fixed standards are easier to enforce than discretionary standards such as no “excessive” noise at the property line (Bandon) or “no more objectionable” noise from the rental than a normal neighborhood dwelling (Yachats)

# WHAT DO DECIBEL LEVELS REALLY MEAN?

## LOUDNESS COMPARISON CHART (dBA)

Common Outdoor Activities	Noise Level (dBA)	Common Indoor Activities
Jet Fly-over at 1000 ft	110	Rock Band
Gas Lawn Mower at 3 ft	100	
	90	Food Blender at 3 ft
Diesel Truck at 50 ft at 50 mph	80	Garbage Disposal at 3 ft
Noisy Urban Area, Daytime		Vacuum Cleaner at 10 ft
Gas Lawn Mower at 100 ft	70	Normal Speech at 3 ft
Commercial Area		
Heavy Traffic at 300 ft	60	Large Business Office
Quiet Urban, Daytime	50	Dishwasher Next Room
Quiet Urban, Nighttime		Theater, Large Conference Room (Background)
Quiet Suburban, Nighttime	40	Library
	30	Bedroom at Night, Concert Hall (Background)
Quiet Rural, Nighttime	20	Broadcast/Recording Studio
	10	
Lowest Threshold of Human Hearing	0	Lowest Threshold of Human Hearing

# SIGNAGE

## Issue

- Should changes be made to the sign allowances for vacation rentals?

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## Observations

- ❑ The City does not have special sign standards for vacation rentals
- ❑ Modest signs are currently allowed in residential areas, with single family dwellings being allowed 1 non-illuminated sign not to exceed 2 sq. ft.
- ❑ Multi-family uses are allowed a sign up to 20 sq. ft. that can be back lit
- ❑ The City can require that contact information be posted in a visible location. This would make it obvious the property is used on a transient basis and risk of attracting vandalism is a reasonable factor to consider



# OTHER USE LIMITATIONS

## Issues

- Should the City put in place limitations on specific activities, such as events, weddings, reunions, etc.
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## Observations

- ▣ This might be desirable if you believe these activities will occur more frequently in VRDs than in owner-occupied or long-term rental units
- ▣ Such a limitation may not be appropriate in commercial areas
- ▣ If there is interest in imposing this type of limitation, it may be prudent to require the restrictions be included with advertisements and/or materials posted on the premises
- ▣ Justification for this type of limitation can be based on concerns related to projected growth of VRDs and this might be the best approach given the lack of hard data showing that this is an existing “nuisance” issue

MAPPING EXERCISE  
BREAK OUT SESSION

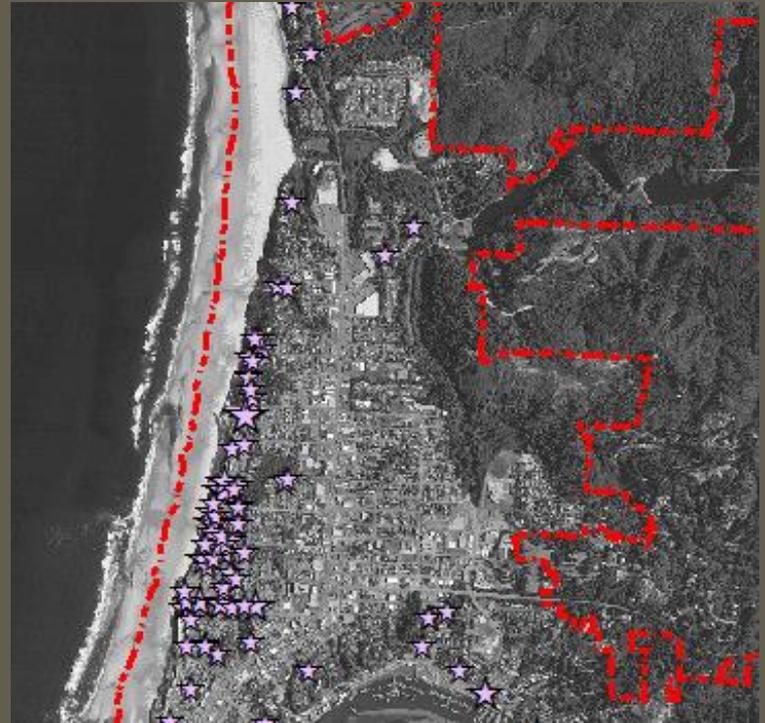
# LOCATIONS ALLOWED

## Issue

- Should the City identify areas where VRDs are allowed and prohibited?
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## Observations

- ▣ The City now has data showing the geographic distribution of VRDs
- ▣ Units are concentrated in areas with tourist amenities (e.g. ocean/bay views, beach access, retail/restaurants, etc.)
- ▣ As the number of VRDs grows, units are beginning to establish in residential areas that lack these amenities
- ▣ A prohibition as opposed to some form of density limitation may be more effective in areas where there are relatively few vacation rentals



# DENSITY LIMITATIONS

## Issues

- Should the City limit the concentration of VRDS in certain areas?
  - If so, which method or method(s) of limiting density are appropriate?
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## Observations

- ▣ Hard caps on the number of licenses issued can be imposed citywide or in a specific areas and may be the most easily understood option
- ▣ Proximity based limits will cause VRDs to be dispersed which may help to reduce adverse impacts. May be difficult to apply to condominiums
- ▣ Ratio based caps are appropriate in areas where growth is expected and are more labor intensive to administer than hard caps
- ▣ Ownership based limits can get at issues of fairness when viewed in the context of caps.
- ▣ Some thought should be given to the scope of any density limitations. Should they apply to “home shares”? Bed and Breakfast establishments?

# TENANCY LIMITS

## Issues

- Should the City limit the number of days units can be rented in a calendar year?
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## Observations

- ▣ Tenancy limits reduce the frequency of guests coming to and from a unit decreasing the chances of nuisance issues
- ▣ There are significant differences in how local governments apply tenancy limits with Cannon Beach being the most restrictive (14-days) and Hood River the most permissive (90-days)
- ▣ Can be difficult to enforce and would not apply to non-paying guests
- ▣ Should be viewed in context with other use limitations

# EFFECT ON EXISTING RENTALS

## Issues

- How should any newly adopted rules apply to existing vacation rentals?
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## Observations

- ▣ Existing rentals can be “grandfathered” such that they do not have to meet new rules. This can be temporary or permanent
- ▣ Permanent “grandfathering” can create fairness issues, makes codes more complex, and may increase administration costs
- ▣ Temporary, as opposed to permanent, grandfathering may be appropriate to allow owners to adjust to significant code changes
- ▣ Amortization would likely be required for rentals located in areas where a “prohibition” is proposed or use rights are significantly curtailed in order to avoid a compensable real property taking

QUESTIONS?